

**Sadbhav Infrastructure Project Limited**  
**Anti-Bribery and Corruption (ABC) Policy**  
**Version – 01**

## Table of Contents

S.No.	Subject	Page No(s).
1.	Policy Statement	3
2.	Responsibility for the policy	3
3.	Definitions	4
4.	Prohibition on bribery	4
5.	Dealing with Intermediaries	6
6.	Political and charitable donations	6
7.	Gifts, Hospitality and Entertainment	7
8.	Facilitation Payments	8
9.	Conflicts of Interest	8
10.	Books and records	9
11.	Training	10
12.	Whistle-Blowing, Investigations and Non- Retaliation	10
13.	Compliance	11
14.	Continuous monitoring and improvement	11
15.	The Compliance officer	12
16.	Advice and Assistance	12

## **SADBHAV INFRASTRUCTURE PROJECT LIMITED**

### **Anti-Bribery and Corruption (ABC) Policy**

Sadbhav Infrastructure Project Limited ('SIPL') has adopted the Anti-Bribery and Corruption Policy (ABC) pursuant to a resolution of the Board of Directors passed through Circulation dated 9<sup>th</sup> September, 2019. The key principles of the ABC policy are set out below:

#### **1. Policy statement**

- 1.1** We maintain and promote the highest ethical and legal standards in our business, especially in relation to Bribery and Corruption, and expect our management, employees and those with whom SIPL, its employees does business to do the same. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships, wherever we operate, and to enforce effective systems to counter bribery. The penalties for violating these laws can be severe, both for the Company and for the individuals involved, including significant corporate and individual fines, and imprisonment.
- 1.2** This policy on Bribery and Corruption applies to SIPL and its employees' dealings with both the public and the private sector (including legal entities, individuals, firms, administrative offices and others) and any violation of this policy is a matter of serious concern.
- 1.3** The company and all its employees (which, for the purposes of this Policy include Directors, senior management, employees at all levels) must comply with this Policy.

#### **2. Responsibility for the policy**

- 2.1** The Compliance Officer will communicate this Policy to all levels and relevant external parties such as including vendors, customers, agents, brokers, consultants etc. at least annually, and at such other times as he considers appropriate, such as when this Policy is amended or updated.
- 2.2** The Audit Committee of SIPL, together with one of its Director, Chief Financial Officer and Compliance Officer, are responsible for providing leadership, resources and active support for the implementation of this Policy.
- 2.3** The Audit Committee oversees compliance with this Policy. The Compliance Officer, has day to day responsibility for implementing this Policy.

### 3. DEFINITIONS

**3.1 ABC** stands for Anti-Bribery and Corruption.

**3.2 Anti-Bribery Laws** means the ABC laws *inter alia*, including the Indian Prevention of Corruption Act, 1988 (“**PCA**”), relevant provisions of Companies Act, 1956 (“**Companies Act**”), SEBI LODR rules, etc. and regulations applicable to, SIPL and its employees

**3.3 Bribe / Bribery** means: the giving, acceptance, solicitation or facilitation of a financial advantage to or by any person which (i) does or might induce, influence or reward the improper performance or non-performance of any activity or function in either the public or private sector, (ii) which in itself constitutes the improper performance of a relevant function or activity or (iii) is intended to obtain or retain business or a business advantage.

**3.4** A promise or offer to give, accept, solicit or facilitate a financial advantage will also constitute Bribery. Equally, a violation may occur if you do anything which is prohibited through another person, as much as if you did it yourself.

**3.5** A **financial advantage** may be anything of value. It can be a payment, payoff, influence payment or a payments made in return for a business favor or advantage. Equally, it may also take the form of a gift, hospitality or entertainment, or be something intangible, like an offer of employment.

**3.6 Corruption** means dishonest or fraudulent conduct by those in power, typically involving Bribery.

**3.7** The term **Official** includes any person who holds a legislative, judicial or administrative position of any kind; any official, employee or representative of, or any other person acting in an official capacity or performing a public function on behalf of a government (central, state or local including any entity it owns or controls) or any government authority or agency; the legislature; the judiciary; a political party or political candidate; or a public international organization.

**3.8** Compliance Officer: It means designated employee of SIPL who is entrusted with enforcing day to day compliance with relevant policies of SIPL.

### 4. PROHIBITION ON BRIBERY

**4.1** SIPL and its employees are prohibited from:

**Giving Bribes including:**

- Bribing someone to get a contract or other business advantage such as a license, consent or permit (including from that person or by using that person's influence);
- Bribing any Official in order to influence any official decision, or to induce them to use their influence to affect any act or decision of a governmental authority; or
- Bribing any officer, employee or agent of a company or a body corporate or any entity with which SIPL and its employees interacts in the conduct of SIPL business for the purpose of influencing any act or decision of that company or body corporate or entity.

**Receiving Bribes including:**

- Asking, agreeing to or receiving a Bribe from anyone in exchange for giving or continuing to give a person any business, or any business advantage, or for otherwise improperly performing or not performing any activity or function.

**4.2** Circumstances which may suggest an increased risk of Bribery or Corruption and which should therefore be discussed with the Compliance Officer include:

- An Intermediary (as defined below) engaged by SIPL is accused of improper practices;
- A party with whom SIPL and its employees does business requests, payment in cash or to offshore accounts;
- Requests for payment, entertainment or hospitality at a time when the recipient is making an important decision that affects or could be perceived to affect the business of SIPL.
- Refusal by an Intermediary to use written agreements;
- Requests or directions to record (or issue receipts) for payments or fees in a manner which does not reflect their true nature;
- Previous relationships between the employees of SIPL and Intermediaries and a government office or Official;
- Requests for special payments, such as a 'special acceleration fee' or any other payment to reduce delay or remove the need to comply with applicable procedures.

**4.3** The above examples are not exhaustive and any matters which give you cause for concern should be promptly raised with the Compliance Officer.

**4.4** Practices that may appear typical or customary may still be unlawful and in breach of this Policy.

**4.5** We should always consider whether any conduct may give an appearance that it creates an obligation, or may influence, the recipient (or a third party) to act in a

way that may be improper, or which may be perceived as being capable of influencing an official exercise of discretionary authority, even where this is not the intention. Such conduct should be discussed with the Compliance Officer.

## **5. DEALING WITH INTERMEDIARIES**

- 5.1** The term Intermediaries refers to the representatives, vendors, contractors, sub-contractors, consultants, suppliers, business associates and any other persons engaged by SIPL and its employees or who are engaged to act for SIPL and its employees in its business dealings with any government or Official, or in obtaining governmental approvals and includes dealing with any person on behalf of SIPL or its employees.
- 5.2** We engage Intermediaries only for ordinary and legitimate business purposes and only at arm's length, commercially reasonable terms.
- 5.3** Any contracts between SIPL and its employees and Intermediaries must be in writing and must be signed by the parties.
- 5.4** Different types of Intermediaries are subject to different ABC risk assessment and risk mitigation measures. Laid down procedures in consultation with the Compliance Officer are to be followed when engaging an Intermediary by SIPL. Anti-bribery related contractual provisions to be included in the contracts with Intermediaries by SIPL.

### **In general:**

- We expect that Intermediaries with which we do business to either formally acknowledge and abide by relevant aspects of this Policy, or to have adequate anti-bribery and corruption policies and procedures of its own in place.
- When engaging an Intermediary, SIPL and its employees should:  
Perform proportionate and risk-based due diligence checks on the Intermediary in accordance with the policy relating to appointment of an intermediary based on an understanding of the potential relationship (e.g. the sector in which the Intermediary operates, the type of services it will be providing and the level of interaction it will have with officials or private sector parties); and consider and respond appropriately to the findings of that due diligence, particularly where areas of high concern are identified.

## **6. POLITICAL AND CHARITABLE DONATIONS**

- 6.1** SIPL supports the political process and the work of registered and reputable charities.

**6.2** However, unless appropriate procedures are adopted, there is a risk that political or charitable donations given by SIPL may be perceived as seeking to improperly influence decisions which affect SIPL and its employees to induce those who have authority to make such decisions to give an improper business advantage to the SIPL.

**6.3** To address these issues SIPL has a policy on donations which is set out in the *Political and Charitable Donations Policy*.

**6.4** The key principles regarding donations are as follows:

- Donations must not be made using the funds of SIPL without first obtaining specific approval from the Compliance Officer in accordance with the **Political and Charitable Donations Policy** of SIPL
- Where making a donation as a private citizen, the employee of SIPL should ensure it is made clear to the recipient and in any publicly available material that the donation is not being made for or on behalf of SIPL or in connection with the activities of the SIPL and;
- A donation should not be made either privately or by SIPL, if the intent or possible effect of the donation is or may be to influence the decisions of any official or other person on matters affecting SIPL and its employees.

**6.5** All donations must be properly recorded and accounted for in the Central Register of Political and Charitable Donations maintained by the Compliance Officer. Further the Compliance Officer in consultation with the Directors should institute the sanctioned list of charities and institutions to which donations can be made.

## **7. GIFTS, HOSPITALITY AND ENTERTAINMENT**

**7.1** SIPL and its employees recognizes that constructive business relationships may include occasional, incidental provision of gifts, hospitality and entertainment.

**7.2** However, gifts, hospitality and entertainment which are or may be seen as exceptional, lavish or disproportionate, or given to certain individuals who have the ability to make decisions affecting SIPL and its employees may be regarded as improper or unlawful.

**7.3** SIPL therefore has a Gifts, Hospitality and Entertainment Policy which sets out the detailed circumstances in which gifts, hospitality and entertainment is appropriate and the process for seeking approval from the Compliance Officer. It should be referred whenever any form of GH&E is offered or received.

**7.4** As a general rule, gifts, hospitality and entertainment must:

- be reasonable and proportionate in terms of frequency, value and the status/seniority of the recipient;
- be provided in an open and transparent manner; and
- Always be provided for legitimate business purposes and in kind only.

**7.5** SIPL and its employees must not

- offer gifts, hospitality and entertainment, or anything else of value, which might influence the decisions of counterparties or Officials in connection with the business of SIPL and its employees; or
- Accept any gifts, hospitality and entertainment, or anything else of value, which might influence their own decisions.

**7.6** SIPL and its employees should consider the above guidelines in respect of all gifts, hospitality and entertainment which they propose to offer or accept.

**7.7** Any gifts, hospitality and entertainment in excess of INR 10,000 requires, the prior approval of the Compliance Officer. Any gifts, hospitality and entertainment in excess of INR 20,000 requires the additional prior approval of Managing Director or whole time director of SIPL.

**8. FACILITATION PAYMENTS**

**8.1** We are committed to complying with the laws applicable to our business. We acknowledge that Facilitation Payments, which usually are small payments made to obtain or expedite routine actions for specific performance, are not permitted under the laws of many jurisdictions and that authorities in many parts of the world are seeking to eliminate such practices.

**8.2** If an employee of SIPL becomes aware that a Facilitation Payment may be made, this must be referred to the Compliance Officer, who will consider, consult as necessary and recommend action. Facilitation payments are prohibited under the Indian Prevention of Corruption Act and can attract criminal liability.

**8.3** The Compliance Officer will report to the Audit Committee, as consider necessary, on any matters relating to Facilitation Payments.

**9. CONFLICTS OF INTEREST**

**9.1** SIPL and its employees must seek to avoid any real or perceived conflict between their private interests and the performance of their duties to SIPL.

**9.2** A conflict of interest arises when an individual's private interests influence, or



may appear to influence, the objective exercise of his or her duties to SIPL and its employees. Conflicts of interest can arise where, for example, an employee and/or SIPL is considering business arrangements involving SIPL and its employees which may provide the employee with a private benefit, or where an employee position within SIPL gives him an opportunity to provide special advantages or benefits to a partner, child or friend.

- 9.3** If a situation arises which may give rise to a conflict of interest involving an employee or an external party in connection with matters affecting SIPL and its employees, it should be promptly disclosed to the Compliance Officer before entering into the transaction. As best practice, employees are encouraged to raise doubts and concerns, whenever they arise, and not act on their own, with the Compliance Officer. Failure to do so may result in unmitigated and unforeseen compliance risk to the company.

## **10. BOOKS AND RECORDS**

- 10.1** The books and records of SIPL must reflect, accurately and fairly, the transactions of SIPL, its employees and dispositions of its assets, including ensuring that a transaction is accurately described in the books and records and the amount of each transaction is accurately recorded.
- 10.2** No payment on behalf of SIPL and its employees is to be approved or made with the express or implied agreement or the intention that any part of it is to be used for a purpose other than that described by the documents supporting the payment.
- 10.3** SIPL and its employees should never agree to requests for false invoices or for payments of expenses that are unusual, excessive, inadequately or improperly described, or otherwise raise questions under this Policy.
- 10.4** No undisclosed or unrecorded funds or assets are to be established or used for any purpose.
- 10.5** Contracts with intermediaries are required to be approved by project manager and Managing Director and in his absence by the Vice President Finance and Operations or in accordance with approval matrix.
- 10.6** Under no circumstances should a person prepare an account “off- book”, particularly where this is designed to conceal an improper transaction.
- 10.7** Employees must also submit expenses claims relating to hospitality, gifts or payments made to third parties promptly and provide justification for this expenditure.

## **11. TRAINING**

**11.1** The employees of SIPL will receive regular (at least one annual) training relevant to their role to ensure that they:

- understand the Anti-Bribery Laws and other Compliance Policies as applicable to them;
- are aware of and understand the Policies;
- are equipped to respond to the specific risks which relate to their particular role; and
- Know what SIPL expects from them.

**11.2** Where appropriate, Intermediaries will also receive training appropriate to their role. The nature of such training and those Intermediaries who are to be subject to it will be determined by the Compliance Officer.

The employees of SIPL should check with the Compliance Officer in connection with engaging Intermediaries and any training obligations which apply. The Compliance Officer is authorized to coordinate and implement the abovementioned training program and enforce relevant stakeholder attendance and maintain activity log of the same.

## **12. WHISTLE-BLOWING, INVESTIGATIONS AND NON-RETALIATION**

**12.1** The employees of SIPL and Intermediaries (anonymously or by name) who are aware of possible or suspected corrupt acts by colleagues, demands for Bribes or other violations of Anti-Bribery Laws or this Policy must report these to the Compliance Officer, Head of Department or to the Whistle Blowing and Investigations Committee in accordance with the Whistle-Blower and Investigations Policy. Any such reports will be promptly investigated by SIPL in accordance with the Whistle Blower Policy.

**12.2** The employees of SIPL or Intermediary will not suffer demotion or any other adverse consequences for refusing to pay Bribes or for reporting in good faith possible corrupt acts by colleagues, demands for Bribes or other suspected violations of Anti-Bribery Laws applicable where SIPL operates or this Policy, even if it may result in SIPL suffering commercial disadvantage.

**12.3** Any employee of SIPL who retaliates, or attempts to retaliate, against a person who has made a report relating to a violation of Anti-Bribery Laws or this Policy will be subject to disciplinary action, which may include termination of their employment with SIPL.

### **13. COMPLIANCE**

- 13.1** Any employee of SIPL who violates any Anti- Bribery Law or any aspect of this Policy will be subject to disciplinary action, which may include termination of their employment with SIPL. Further violation by Intermediaries may attract possible termination of contracts and initiation of civil action, wherever necessary.
- 13.2** The employees of SIPL should understand that additionally, they could be subject to civil and criminal liability for violations of applicable law.
- 13.3** Violations of any Anti-Bribery Laws or this Policy should be reported in accordance with section 12 above.

### **14. CONTINUOUS MONITORING AND IMPROVEMENT**

- 14.1** The Compliance Officer and Audit Committee are responsible for monitoring the implementation of, compliance with and periodic review and updating of this Policy, including to comply with changes in Anti-Bribery Laws.
- 14.2** In line with this, the Compliance Officer will report:
- on a regular basis, on general compliance by SIPL and its employees with this Policy and its effectiveness; and
  - To the Audit Committee annually on the above matters in connection with the annual ABC risk assessment and audit (see 14.4 below).

The Compliance Officer will also notify the Audit Committee should he/she become aware of any particular instance of non-compliance (or suspicion of non-compliance) with Anti-Bribery Laws or this Policy.

- 14.3** SIPL should carry out an annual ABC risk assessment and audit to assess the effectiveness of this Policy. The terms of reference of such audits are to be set annually by the Audit Committee, which will also oversee the annual audit. Where issues are identified, the Audit Committee will prescribe appropriate remedial measures to be implemented by SIPL in order to address these.
- 14.4** Any material deficiencies in this Policy which are identified by the employees of SIPL during the year should be reported to the Compliance Officer for an appropriate action to be taken.

## **15. THE COMPLIANCE OFFICER**

We have employed a Compliance Officer who is responsible for day to day implementation and oversight of this Policy. Their responsibilities also include:

- receiving and investigating reports of ABC-related incidents;
- escalating known ABC issues to the Audit Committee, as appropriate;
- reporting to the Audit Committee as set out above;
- ensuring the employees of SIPL complete ABC questionnaires and certifications (as relevant) in a timely manner;
- maintenance of the Central Donations Register and Annual Gifts, Hospitality and Entertainment Register;
- conducting regular spot checks of compliance with this Policy and the SIPL books and records;
- providing guidance to the employees of SIPL on this Policy; and
- Record keeping in connection with this Policy and associated training.

## **16. ADVICE AND ASSISTANCE**

Employees should contact the Compliance Officer for advice and assistance on any matters relating to this policy.

Signature and Date:

Place: